

Troutman Sanders LLP
222 Central Park Avenue
Suite 2000
Virginia Beach, VA 23462
Telephone: (757) 687-7500
Facsimile: (757) 687-7510
Jason E. Manning

*Ordinary Course Professional for the Debtors
and Debtors in Possession*

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re:

RESIDENTIAL CAPITAL, LLC, et al.,

Debtors.

)
)
)
)
)
)
)

Case No. 12-12020 (MG)

Chapter 11

Jointly Administered

THIRD INTERIM FEE APPLICATION

SUMMARY OF

**APPLICATION OF TROUTMAN SANDERS LLP
FOR AN AWARD OF COMPENSATION AND REIMBURSEMENT OF EXPENSES
FOR SERVICES RENDERED AS AN ORDINARY COURSE PROFESSIONAL
FOR THE DEBTORS FOR THE FOLLOWING PERIODS:
JANUARY 1 – 31, 2013, FEBRUARY 1 – 28, 2013, AND APRIL 1 – 30, 2013**

AND

**THIRD INTERIM APPLICATION OF TROUTMAN SANDERS LLP FOR AN AWARD
OF COMPENSATION AND REIMBURSEMENT OF EXPENSES
FOR SERVICES RENDERED AS AN ORDINARY COURSE PROFESSIONAL
FOR THE DEBTORS FOR THE PERIOD OF
JANUARY 1, 2013 THROUGH APRIL 30, 2013**

Name of Applicant: Troutman Sanders LLP (“**Applicant**”)

Authorized to Provide Debtors and Debtors in Possession, as
Professional Services to: ordinary
course professional

Date of Retention: October 2006

Application Periods: January 1-31, 2013
 (“**January Period**”)

February 1-28, 2013
 (“**February Period**”)

April 1-30, 2013
 (“**April Period**”)

January 1, 2013 through April 30, 2013
 (“**Third Interim Period**”)

**Previously Approved
Compensation and Expenses
For First Interim Fee Period
(May 15, 2012 – Aug. 31, 2012)**

Compensation and Expenses
Previously Approved: Compensation of \$217,746.96 and expenses
of \$3,061.82 were approved by Order of this
Court entered on December 28, 2012 (Docket
No. 2530)

Previously Approved Compensation
That Has Been Paid: \$208,152.84

Previously Approved Compensation
That Remains Unpaid: \$9,594.12

Previously Approved Expenses
That Have Been Paid: \$1,489.81

Previously Approved Expenses
That Remain Unpaid: \$1,572.01

**Previously Approved
Compensation and Expenses
For Second Interim Fee Period
(Sept. 1, 2012 – Dec. 31, 2012)**

Compensation and Expenses Previously Approved:	Compensation of \$495,750.00 and expenses of \$9,645.92 were approved by Order of this Court entered on April 29, 2013 (Docket No. 3556)
Previously Approved Compensation That Has Been Paid:	\$484,332.22
Previously Approved Compensation That Remains Unpaid:	\$11,417.78
Previously Approved Expenses That Have Been Paid:	\$9,614.01
Previously Approved Expenses That Remain Unpaid:	\$31.91

January Period

Amount of Compensation Sought for January Period:	\$20,531.50 (a total of \$95,531.50 is sought for January 2013 but as set forth below, \$75,000 is payable upon approval of the Debtors under the amended OCP Order, as defined below)
Amount of Expense Reimbursement Sought for January Period:	\$144.98
Total Amount of Compensation and Expense Sought for January Period:	\$20,676.48 (\$95,676.48 less \$75,000 approved by the Debtors pursuant to the amended OCP Order as defined below)

February Period

Amount of Compensation Sought for
February Period:

\$76,572.00 (a total of \$151,572.00 is sought
for February 2013 but as set forth below,
\$75,000 is payable upon approval of the
Debtors under the amended OCP Order, as
defined below)

Amount of Expense Reimbursement
Sought for February Period:

\$2,329.46

Total Amount of Compensation and
Expense Sought for February Period:

\$78,901.46 (\$153,901.46 less \$75,000
approved by the Debtors pursuant to the
amended OCP Order as defined below)

April Period

Amount of Compensation Sought for
April Period:

\$1,832.50 (a total of \$76,832.50 is sought for
April 2013 but as set forth below, \$75,000 is
payable upon approval of the Debtors under
the amended OCP Order, as defined below)

\$1,641.19

Amount of Expense Reimbursement
Sought for April Period:

\$3,473.69 (\$78,473.69 less \$75,000 approved
by the Debtors pursuant to the amended OCP
Order as defined below)

Total Amount of Compensation and
Expense Sought for April Period:

Third Interim Period

Amount of Compensation Sought for
Second Interim Period:

\$333,753.00

Amount of Expense Reimbursement
Sought for Interim Period:

\$4,115.63

Total Amount of Compensation and
Expense Sought for Interim Period:

\$337,868.63

This is a:

X Monthly X Interim ___ Final
Application

JANUARY PERIOD

Summary of Fees and Expenses for January Period

January 1 – 31, 2013

Date Filed	Compensation Period	Requested Fees	Requested Expenses	Fees Paid	Expenses Paid	20% Holdback
3/06/13	1/01/13-1/31/13	\$95,531.50	\$144.98	\$87,577.00	\$83.98	\$19,106.30

Timekeeper Summary for January Period

January 1 – 31, 2013

Name of Professional Individual	Position	Department	Year of Bar Adm.	Hourly Billing Rate	Total Hours Billed	Total Compensation
Brooks, Matthew Ray	Associate	Financial Services Litigation	2008	\$275.00	12.7	\$3,492.50
Collins, Lori Krezel	Paralegal	Financial Services Litigation	n/a	\$180.00	15.1	\$2,718.00
Derby, Erin Rigney	Paralegal	Financial Services Litigation	n/a	\$120.00	.5	\$60.00
Flowers, Elizabeth Spain	Associate	Financial Services Litigation	2009	\$230.00	6.4	\$1,472.00
Lynch, John C.	Partner	Financial Services Litigation	1995	\$400.00	5.2	\$2,080.00
Manning, Jason E.	Partner	Financial Services Litigation	2004	\$365.00	19.4	\$7,081.00
Ostroff, Ethan G.	Associate	Financial Services Litigation	2005	\$265.00	27.9	\$7,393.50
Pittman, Andrew B.	Associate	Financial Services Litigation	2001	\$290.00	45.3	\$13,137.00
Reyes, Alexandria J.	Associate	Financial Services Litigation	2009	\$285.00	79.3	\$22,600.50

Reza, Mohsin	Associate	Financial Services Litigation	2007	\$300.00	4.0	\$1,200.00
Russell, Karen L.	Paralegal	Financial Services Litigation	n/a	\$175.00	.7	\$122.50
Sherman, Chelsea M.	Paralegal	Financial Services Litigation	n/a	\$180.00	2.4	\$432.00
Windham, Mark J.	Associate	Financial Services Litigation	2008	\$275.00	122.7	\$33,742.50
Professionals Totals				Blended Rate		
Total Fees Incurred				\$279.66	341.6	\$95,531.50

Billing Category Summary for January Period
January 1 – 31, 2013

Task Code	Matter Description	Total Billed Hours	Total Compensation
C200	Researching Law	17.3	\$4,290.00
C300	Analysis and Advice	8.6	\$2,365.00
L110	Fact Investigation/Development	60.0	\$17,103.00
L120	Analysis/Strategy	52.0	\$15,294.50
L160	Settlement/Non-Binding ADR	11.0	\$3,465.00
L190	Other Case Assessment, Development & Administration	31.9	\$9,171.00
L210	Pleadings	56.0	\$14,846.00
L230	Court Mandated Conferences	.4	\$72.00
L240	Dispositive Motions	40.5	\$11,366.50
L250	Other Written Motions/Submissions	20.6	\$5,678.00
L310	Written Discovery	9.0	\$2,147.50
L330	Depositions	3.4	\$901.00
L450	Trial and Hearing Attendance	8.9	\$2,713.00
L510	Appellate Motions/Submissions	5.0	\$1,425.00
L520	Appellate Briefs	4.8	\$1,320.00
P100	Project Administration	1.2	\$330.00
P500	Negotiation/Revision/Responses	.7	\$255.50
P600	Completion/Closing	1.3	\$313.50
R102	Primary Document Preparation	9.0	\$2,475.00
Total Fees Incurred		341.6	\$95,531.50

Expense Category Summary for January Period

January 1 – 31, 2013

Expense Category	Amount
Outside Courier Services	\$35.90
Personal Car Mileage	\$92.08
Taxi/Train/Parking	\$17.00
Total	\$144.98

FEBRUARY PERIOD

Summary of Fees and Expenses for February Period

February 1 – 28, 2013

Date Filed	Compensation Period	Requested Fees	Requested Expenses	Fees Paid	Expenses Paid	20% Holdback
4/01/13	2/01/13-2/28/13	\$151,572.00	\$2,329.46	\$76,645.99	\$901.40	\$30,314.40

Timekeeper Summary for February

February 1 – 28, 2013

Name of Professional Individual	Position	Department	Year of Bar Admission	Hourly Billing Rate	Total Hours Billed	Total Compensation
Brooks, Matthew Ray	Associate	Financial Services Litigation	2008	\$275.00	5.1	\$1,402.50
Collins, Lori Krezel	Paralegal	Financial Services Litigation	n/a	\$180.00	7.1	\$1,278.00

Flowers, Elizabeth Spain	Associate	Financial Services Litigation	2009	\$230.00	8.8	\$2,024.00
Jones, Maryia Y.	Associate	Financial Services Litigation	2009	\$230.00	1.8	\$414.00
Lynch, John C.	Partner	Financial Services Litigation	1995	\$400.00	7.5	\$3,000.00
Manning, Jason E.	Partner	Financial Services Litigation	2004	\$365.00	51.8	\$18,907.00
Ostroff, Ethan G.	Associate	Financial Services Litigation	2005	\$265.00	4.7	\$1,245.50
Pittman, Andrew B.	Associate	Financial Services Litigation	2001	\$290.00	81.6	\$23,664.00
Reyes, Alexandria J.	Associate	Financial Services Litigation	2009	\$285.00	168.5	\$48,022.50
Reza, Mohsin	Associate	Financial Services Litigation	2007	\$300.00	5.9	\$1,770.00
Ruhling, Bill B.	Associate	Business Litigation	2000	\$265.00	0.2	\$53.00
Russell, Karen L.	Paralegal	Financial Services Litigation	n/a	\$175.00	3.3	\$577.50
Sherman, Chelsea M.	Paralegal	Financial Services Litigation	n/a	\$180.00	3.3	\$594.00
Windham, Mark J.	Associate	Financial Services Litigation	2008	\$275.00	176.8	\$48,620.00
Professionals Totals				Blended Rate		
Total Fees Incurred				\$287.94	526.4	\$151,572.00

Billing Category Summary for February Period

February 1 – 28, 2013

Task Code	Matter Description	Total Billed Hours	Total Compensation
L110	Fact Investigation/Development	190.1	\$52,383.50
L120	Analysis/Strategy	63.0	\$18,735.50
L160	Settlement/Non-Binding ADR	16.2	\$4,535.50
L190	Other Case Assessment, Development & Administration	30.0	\$9,161.00
L210	Pleadings	73.1	\$20,931.50
L230	Court Mandated Conferences	0.4	\$114.00
L240	Dispositive Motions	55.5	\$15,630.50
L250	Other Written Motions/Submissions	1.4	\$399.00
L310	Written Discovery	0.9	\$206.00
L320	Document Production	0.8	\$144.00
L410	Fact Witness	21.7	\$6,184.50
L430	Written Motions/Submission	1.2	\$342.00
L440	Other Trial Preparation/Support	9.5	\$2,707.50
L450	Trial and Hearing Attendance	46.1	\$15,339.00
L460	Post-Trial Motions/Submissions	14.0	\$3,990.00
L510	Appellate Motions and Submissions	1.8	\$513.00
P600	Completion/Closing	0.7	\$255.50
Total Fees Incurred		526.4	\$151,572.00

Expense Category Summary for February Period

February 1 – 28, 2013

Expense Category	Amount
Airfare Costs	\$374.60
Court Reporter / Deposition Costs	\$45.00
Filing Fees	\$700.00
Outside Courier Services	\$857.83
Professional Services	\$14.80
Hotel	\$172.84
Meals and Entertainment	\$19.32

Personal Car Mileage	\$69.77
Taxi/Train/Parking	\$75.30
Total	\$2,329.46

APRIL PERIOD

Summary of Fees and Expenses for April Period

April 1 – 30, 2013

Date Filed	Compensation Period	Requested Fees	Requested Expenses	Fees Paid	Expenses Paid	20% Holdback
6/26/13	4/01/13-4/30/13	\$76,832.50	\$1,641.19	\$13,329.00	\$125.00	\$15,366.50

Timekeeper Summary for April Period

April 1 – 30, 2013

Name of Professional Individual	Position	Department	Year of Bar Admission	Hourly Billing Rate	Total Hours Billed	Total Compensation
Brooks, Matthew Ray	Associate	Financial Services Litigation	2008	\$275.00	19.6	\$5,005.00
Cheshire, Harrilee	Paralegal	Financial Services Litigation	n/a	\$290.00	0.3	\$87.00
Cohen, Harriet Ellen	Paralegal	Financial Services Litigation	n/a	\$265.00	1.6	\$424.00
Collins, Lori Krezel	Paralegal	Financial Services Litigation	n/a	\$180.00	19.8	\$3,492.00
Crump, Alexander G.	Paralegal	Financial Services Litigation	n/a	\$200.00	1.0	\$200.00
Flowers, Elizabeth Spain	Associate	Financial Services Litigation	2009	\$230.00	2.5	\$575.00
Goodman, Brett David	Associate	Financial Services Litigation	2006	\$435.00	1.2	\$522.00
Jones, Maryia Y.	Associate	Financial	2009	\$230.00	0.6	\$138.00

		Services Litigation				
Lynch, John C.	Partner	Financial Services Litigation	1995	\$400.00	0.8	\$320.00
Manning, Jason E.	Partner	Financial Services Litigation	2004	\$365.00	16.3	\$5,949.50
Ostroff, Ethan G.	Associate	Financial Services Litigation	2005	\$265.00	43.0	\$11,395.00
Pittman, Andrew B.	Associate	Financial Services Litigation	2001	\$290.00	38.5	\$11,165.00
Reyes, Alexandria J.	Associate	Financial Services Litigation	2009	\$285.00	74.4	\$20,947.50
Russell, Karen L.	Paralegal	Financial Services Litigation	n/a	\$175.00	1.9	\$332.50
Windham, Mark J.	Associate	Financial Services Litigation	2008	\$275.00	59.2	\$16,280.00
Professionals Totals				Blended Rate		
Total Fees Incurred				\$273.72	280.7	\$76,832.50

Billing Category Summary for April Period

April 1 – 30, 2013

Task Code	Matter Description	Total Billed Hours	Total Compensation
C200	Researching Law	1.7	\$467.50
C400	Third Party Communication	0.3	\$82.50
L110	Fact Investigation/Development	57.8	\$16,395.00
L120	Analysis/Strategy	39.1	\$10,086.00
L160	Settlement/Non-Binding ADR	17	\$5,080.00
L190	Other Case Assessment, Development & Administration	61.7	\$16,943.00
L210	Pleadings	42	\$12,058.50
L240	Dispositive Motions	30.5	\$8,692.50
L250	Other Written Motions/Submissions	1.3	\$223.00

L310	Written Discovery	4.9	\$918.00
L330	Depositions	10.7	\$1,951.00
L350	Discovery Motions	1	\$201.00
L390	Other Discovery	1.7	\$399.50
L450	Trial and Hearing Attendance	9.6	\$2,947.00
L510	Appellate Motions and Submissions	0.3	\$85.50
P400	Initial Document Preparation/Filing	1.1	\$302.50
Total Fees Incurred		280.7	\$76,832.50

Expense Category Summary for April Period

April 1 – 30, 2013

Expense Category	Amount
Airfare Costs	\$268.73
Associate Counsel Fee & Expenses	\$250.00
Court Reporter / Deposition Costs	\$15.00
Filing Fees	\$894.00
Outside Courier Services	\$27.00
Professional Services	\$41.90
Hotel	\$46.70
Meals and Entertainment	\$11.00
Rental Car	\$46.73
Personal Car Mileage	\$34.13
Taxi/Train/Parking	\$6.00
Total	\$1,641.19

THIRD INTERIM PERIOD

Summary of Fees and Expenses for Third Interim Period

January 1, 2013 – April 30, 2013

Date Filed	Compensation Period	Requested Fees	Requested Expenses	Fees Paid	Expenses Paid	20% Holdback
3/06/13	1/01/13-1/31/13	\$95,531.50	\$144.98	\$87,577.00	\$83.98	\$19,106.30
4/01/13	2/01/13-2/28/13	\$151,572.00	\$2,329.46	\$76,645.99	\$901.40	\$30,314.40
n/a	3/01/13-3/31/13	\$9,817.00	\$0.00	\$9,111.50	\$0.00	\$1,963.40
6/26/13	4/01/13-4/30/13	\$76,832.50	\$1,641.19	\$13,329.00	\$125.00	\$15,366.50
TOTAL	1/01/13-4/30/13	\$333,753.00	\$4,115.63	\$186,663.49	\$1,110.38	\$66,750.60

Timekeeper Summary for Third Interim Period

January 1, 2013 – April 30, 2013

Name of Professional Individual	Position	Department	Year of Bar Admission	Hourly Billing Rate	Total Hours Billed	Total Compensation
Brooks, Matthew Ray	Associate	Financial Services Litigation	2008	\$275.00	37.4	\$9,900.00
Cheshire, Harrilee	Paralegal	Business Litigation	n/a	\$290.00	0.3	\$87.00
Cohen, Harriet Ellen	Paralegal	Bankruptcy	n/a	\$265.00	1.6	\$424.00
Collins, Lori Krezel	Paralegal	Financial Services Litigation	n/a	\$180.00	55.2	\$9,864.00
Crump, Alexander G.	Paralegal	Financial Services Litigation	n/a	\$200.00	1.0	\$200.00
Derby, Erin Rigney	Paralegal	Financial Services Litigation	n/a	\$120.00	0.5	\$60.00
Flowers, Elizabeth Spain	Associate	Financial Services Litigation	2009	\$230.00	17.7	\$4,071.00
Goodman, Brett	Associate	Financial Services Litigation	2006	\$435.00	1.2	\$522.00
Jones, Maryia Y.	Associate	Financial Services Litigation	2009	\$230.00	2.4	\$552.00
Lynch, John C.	Partner	Financial Services Litigation	1995	\$400.00	15.3	\$6,120.00
Manning, Jason E.	Partner	Financial Services Litigation	2004	\$365.00	87.5	\$31,937.50
Ostroff, Ethan G.	Associate	Financial Services Litigation	2005	\$265.00	98.3	\$26,049.50
Pittman, Andrew B.	Associate	Financial Services Litigation	2001	\$290.00	161.4	\$48,256.00
Reyes, Alexandria J.	Associate	Financial Services Litigation	2009	\$285.00	322.5	\$91,656.00
Reza, Mohsin	Associate	Financial Services Litigation	2007	\$300.00	9.9	\$2,970.00
Ruhling, Bill B.	Associate	Business Litigation	2000	\$265.00	0.2	\$53.00
Russell, Karen L.	Paralegal	Financial Services Litigation	n/a	\$175.00	5.9	\$1,032.50
Sherman, Chelsea M.	Paralegal	Financial Services Litigation	n/a	\$180.00	5.7	\$1,026.00
Windham, Mark J.	Associate	Business Litigation	2008	\$275.00	359.9	\$98,972.50
Professionals Totals				Blended Rate		
Total Fees Incurred				\$280.72	1,188.90	\$333,753.00

Billing Category Summary for Third Interim Period

January 1, 2013 – April 30, 2013

Task Code	Matter Description	Total Billed Hours	Total Compensation
C200	Researching Law	19.0	\$4,757.50
C300	Analysis and Advice	8.6	\$2,365.00
C400	Third Party Communications	0.3	\$82.50
L110	Fact Investigation/Development	309.9	\$86,211.50
L120	Analysis/Strategy	155.2	\$44,433.50
L160	Settlement/Non-Binding ADR	44.2	\$13,080.50
L190	Other Case Assessment, Development & Administration	148.1	\$42,010.50
L210	Pleadings	171.1	\$47,836.00
L230	Court Mandated Conferences	0.8	\$186.00
L240	Dispositive Motions	126.5	\$35,689.50
L250	Other Written Motions/Submissions	23.3	\$6,300.00
L310	Written Discovery	20.6	\$4,787.50
L320	Document Production	4.6	\$828.00
L330	Depositions	14.1	\$2,852.00
L340	Expert Discovery	3.8	\$684.00
L350	Discovery Motions	1.0	\$201.00
L390	Other Discovery	1.7	\$399.50
L410	Fact Witnesses	21.7	\$6,184.50
L430	Written Motions and Submissions	1.2	\$342.00
L440	Other Trial Preparation and Support	9.5	\$2,707.50
L450	Trial and Hearing Attendance	64.6	\$20,999.00
L460	Post-Trial Motions and Submissions	14.0	\$3,990.00
L510	Appellate Motions/Submissions	7.1	\$2,023.50
L520	Appellate Briefs	4.8	\$1,320.00
P100	Project Administration	1.2	\$330.00
P400	Initial Document Preparation/Filing	1.1	\$302.50
P500	Negotiation/Revision/Responses	0.7	\$255.50
P600	Completion/Closing	2.0	\$569.00
R102	Primary Document Preparation	9.0	\$2,475.00
Total Fees Incurred		1,188.9	\$333,753.00

Expense Category Summary for Third Interim Period

January 1, 2013 – April 30, 2013

Expense Category	Amount
Airfare Costs	\$643.33
Associate Counsel Fees & Expenses	\$250.00
Court Reporter/Deposition Costs	\$60.00
Filing Fees	\$1,594.00
Hotel	\$219.54
Meals and Entertainment	\$30.32
Outside Courier Services	\$920.73
Personal Car Mileage	\$195.98
Professional Services	\$56.70
Taxi/Train/Parking	\$98.30
Total	\$4,115.63

Troutman Sanders LLP
222 Central Park Avenue
Suite 2000
Virginia Beach, VA 23462
Telephone: (757) 687-7500
Facsimile: (757) 687-7510
Jason E. Manning

*Ordinary Course Professional for the Debtors
and Debtors in Possession*

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

_____)	
In re:)	Case No. 12-12020 (MG)
)	
RESIDENTIAL CAPITAL, LLC, <u>et al.</u> ,)	Chapter 11
)	
Debtors.)	Jointly Administered
-----)	

THIRD INTERIM FEE APPLICATION

**APPLICATION OF TROUTMAN SANDERS LLP
FOR AN AWARD OF COMPENSATION AND REIMBURSEMENT OF EXPENSES
FOR SERVICES RENDERED AS AN ORDINARY COURSE PROFESSIONAL
FOR THE DEBTORS FOR THE FOLLOWING PERIODS:
JANUARY 1 – 31, 2013, FEBRUARY 1 – 28, 2013, AND APRIL 1 – 30, 2013**

AND

**THIRD INTERIM APPLICATION OF TROUTMAN SANDERS LLP FOR AN AWARD
OF COMPENSATION AND REIMBURSEMENT OF EXPENSES
FOR SERVICES RENDERED AS AN ORDINARY COURSE PROFESSIONAL
FOR THE DEBTORS FOR THE PERIOD OF
JANUARY 1, 2013 THROUGH APRIL 30, 2013**

By this application (the “**Application**”) pursuant to Sections 327, 330 and 331 of title 11 of the United States Code (the “**Bankruptcy Code**”), Rule 2016 of the Federal Rules of Bankruptcy Procedure (the “**Bankruptcy Rules**”), Rule 2016-1 of the Local Rules of the United

States Bankruptcy Court for the Southern District of New York (the “**Local Rules**”), and the Order Under Bankruptcy Code Sections 105(a), 327 and 330 and Bankruptcy Rule 2014 Authorizing Employment and Payment of Professionals Utilized in Ordinary Course of Business *Nunc Pro Tunc* to the Petition Date [Docket No. 799], dated July 17, 2012 (the “**OCP Order**”), as amended by Order dated February 7, 2013 [Docket No. 2857], Troutman Sanders LLP (“**Applicant**”), an ordinary course professional for the above-captioned debtors (the “**Debtors**”), hereby seeks reasonable compensation for professional legal services in the following amounts:

January Period

Applicant seeks an amount of \$95,531.50 in fees for the January Period, but, because under the OCP Order, \$75,000 is payable by the Debtors upon the Debtors’ approval without Court approval, Applicant seeks approval of the \$20,531.50 of fees that exceed the OCP Order’s \$75,000 monthly cap, together with reimbursement for actual and necessary expenses incurred in the amount of \$144.98 for the period of January 1-31, 2013.

February Period

Applicant seeks an amount of \$151,572.00 in fees for the February Period, but, because under the OCP Order, \$75,000 is payable by the Debtors upon the Debtors’ approval without Court approval, Applicant seeks approval of the \$76,572.00 of fees that exceed the OCP Order’s \$75,000 monthly cap, together with reimbursement for actual and necessary expenses incurred in the amount of \$2,329.46 for the period of February 1-28, 2013.

April Period

Applicant seeks an amount of \$76,832.50 in fees for the April Period, but, because under the OCP Order, \$75,000 is payable by the Debtors upon the Debtors’ approval without Court approval, Applicant seeks approval of the \$1,832.50 of fees that exceed the OCP Order’s

\$75,000 monthly cap, together with reimbursement for actual and necessary expenses incurred in the amount of \$1,641.19 for the period of April 1-30, 2013.

Third Interim Period

Applicant seeks approval of reasonable compensation for professional legal services in the amount of \$333,753.00 for the Third Interim Period, together with reimbursement for actual and necessary expenses incurred in the amount of \$4,115.63 for the period of January 1, 2013 through April 30, 2013.¹

In support of this Application, Applicant respectfully represents as follows:

JURISDICTION

1. This Court has subject matter jurisdiction to consider and determine this matter pursuant to 28 U.S.C. § 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b). Venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

2. This Application has been prepared by Jason E. Manning in accordance with the Amended Guidelines for Fees and Disbursements for Professionals in Southern District of New York Bankruptcy Cases adopted by the Court on February 5, 2013 (the “Local Guidelines”), the United States Trustee Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses filed under 11 U.S.C. § 330, adopted on January 30, 1996 (the “UST Guidelines”), and the OCP Order. Pursuant to the Local Guidelines, a certification regarding compliance with same is attached hereto as **Exhibit 1**.

¹ For the March 1-31, 2013 time period, Applicant seeks an amount of \$9,817.00 in fees. Because this amount is beneath the OCP Order’s \$75,000 monthly cap, Applicant is entitled to payment in the full amount of \$9,817.00 for reasonable compensation for professional legal services upon the Debtors’ approval without Court approval.

BACKGROUND

3. On May 14, 2012 (the “**Petition Date**”), each of the Debtors filed a voluntary petition with the Court for relief under Chapter 11 of the Bankruptcy Code. The Debtors are managing and operating their businesses as debtors in possession pursuant to Bankruptcy Code Sections 1107(a) and 1108. These cases are being jointly administered pursuant to Bankruptcy Rule 1015(b). No trustee has been appointed in these Chapter 11 cases.

4. On May 16, 2012, the United States Trustee for the Southern District of New York (the “**U.S. Trustee**”) appointed a nine-member official committee of unsecured creditors (the “**Creditors’ Committee**”).

5. On June 20, 2012, the Court directed that an examiner be appointed [Docket No. 454], and on July 3, 2012, the Court approved Arthur J. Gonzalez as the examiner [Docket No. 674].

6. The Debtors are a leading residential real estate finance company indirectly owned by Ally Financial Inc. (“**AFT**”), which is not a Debtor. The Debtors and their non-debtor affiliates operate the fifth largest mortgage servicing business and the tenth largest mortgage origination business in the United States. A more detailed description of the Debtors, including their business operations, their capital and debt structure, and the events leading to the filing of these bankruptcy cases, is set forth in the Whitlinger Affidavit.

7. On August 14, 2012, pursuant to Paragraph No. 3(b) of the OCP Order, the Debtors filed the Affidavit of Disinterestedness sworn to by John C. Lynch, a partner of Applicant, on August 7, 2012 (the “**Applicant Affidavit**”), along with the accompanying Retention Questionnaire [Docket No. 1127]. Pursuant to the Applicant Affidavit, the Debtors sought to retain Applicant as an ordinary course professional under the OCP Order to provide legal services to the Debtors, including regarding defense of claims brought by individual

borrowers pertaining to consumer lending issues, *nunc pro tunc* to the Petition Date. Because no objections to the employment of Applicant as an ordinary course professional were filed, under the OCP Order, the retention of Applicant was deemed approved.

8. On October 19, 2012, Applicant filed its First Interim Fee Application for the May 14, 2012 through August 31, 2012 Interim Period. [Docket No. 1894]. In the First Interim Fee Application, Applicant requested the approval of compensation in the amount of \$218,509.74 and reimbursement of expenses in the amount of \$3,714.82. In her Omnibus Objection Regarding Fee Applications for First Interim Compensation and Reimbursement of Expenses, the U.S. Trustee asserted limited objections to the First Interim Application. On December 20, 2012, Applicant and the U.S. Trustee came before this Court for hearing on the First Interim Application. Prior to the hearing, Applicant and the U.S. Trustee reached an agreement resolving the U.S. Trustee's objections. Accordingly, on December 28, 2012, this Court entered its Order Granting Applications for Allowance of Interim Compensation and Reimbursement of Expenses, allowing Applicant fees in the reduced amount of \$217,746.96 and expenses in the reduced amount of \$3,061.82. [Docket No. 2530].

9. On March 14, 2013, Applicant filed its Second Interim Fee Application for the September 1, 2012 through December 31, 2012 Interim Period. [Docket No. 3195]. In the Second Interim Fee Application, Applicant requested the approval of compensation in the amount of \$498,063.00 and reimbursement of expenses in the amount of \$9,645.92. In her Omnibus Objection Regarding Fee Applications for Second Interim Compensation and Reimbursement of Expenses, the U.S. Trustee asserted limited objections to the Second Interim Application. On April 11, 2013, Applicant and the U.S. Trustee came before this Court for hearing on the Second Interim Application. Prior to the hearing, Applicant and the U.S. Trustee

reached an agreement resolving the U.S. Trustee's objections. Accordingly, on April 29, 2013, this Court entered its Order Granting Applications for Allowance of Interim Compensation and Reimbursement of Expenses, allowing Applicant fees in the reduced amount of \$495,750.00 and expenses in the full amount of \$9,645.92. [Docket No. 3556].

10. On March 6, 2013, Applicant served its January Monthly Statement covering the January 1-31 time period on the Notice Parties. On April 1, 2013, Applicant served its February Monthly Statement covering the February 1-28 time period on the Notice Parties. On June 26, 2013, Applicant served its April Monthly Statement covering the April 1-30 time period on the Notice Parties. Applicant did not receive any objections to the January, February, and April Monthly Statements.

11. Pursuant to Paragraph No. 3(c) of the OCP Order, the Debtors may pay Applicant without prior application to the Court 100% of its fees and disbursements incurred, upon submission to, and approval by, the Debtors of invoices setting forth in reasonable detail the nature of the services rendered and disbursements actually incurred up to \$75,000 per month ("**OCP Monthly Limit**"). Applicant submitted invoices for its fees and expenses in the March 1-31, 2013 time period. The monthly invoices for fees and expenses submitted during this time period were less than the OCP Monthly Limit. The Summaries of Fees and Expenses charts for the January, February, April, and Third Interim Periods, located above in the Application Summary, summarize the total amount of fees and expenses sought during those periods, and the amounts that have been paid by the Debtors as of August 7, 2013.

12. Paragraph No. 3(c) of the OCP Order also provides that if an ordinary course professional's monthly invoice exceeds the OCP Monthly Limit, then payments to such ordinary course professional for any such excess amounts shall be subject to the prior approval of the

Court in accordance with sections 330 and 331 of the Bankruptcy Code as well as the applicable provisions of the Bankruptcy Rules and the Local Rules.

RELIEF REQUESTED

13. Applicant's invoices submitted during the January Period totaled \$95,531.50, exceeding the \$75,000 OCP Monthly Limit by \$20,531.50. Applicant's invoices submitted during the February Period totaled \$151,572.00, exceeding the \$75,000 OCP Monthly Limit by \$76,572.00. Applicant's invoices submitted during the April Period totaled \$76,832.50, exceeding the \$75,000 OCP Monthly Limit by \$1,832.50.

14. Accordingly, Applicant submits this Application in accordance with the OCP Order. All services for which Applicant requests compensation were performed for, or on behalf of, the Debtors. Applicant seeks reimbursement of all amounts exceeding the \$75,000 OCP Monthly Limit.

15. This Application is the Third Interim Application filed by Applicant in these chapter 11 cases. In connection with the professional services rendered, by this Application Applicant seeks approval for interim compensation in the amount of \$333,753.00 and reimbursement of expenses in the amount of \$4,115.63 for a total of \$337,868.63. Per the OCP Order, Applicant has submitted its invoices to the Debtors for payment.

16. The invoices that comprise the January, February, and April Periods are attached hereto as **Exhibit 2**. The invoices contain detailed statements of hours spent rendering legal services to the Debtors in support of Applicant's request of compensation for fees incurred during these periods. The monthly fee invoices contained in Exhibit 2 (i) identify the professionals who rendered services, (ii) describe each service such professional or paraprofessional performed; and (iii) set forth the number of hours in increments of one-tenth of an hour spent by each individual providing the services. Applicant maintains computerized

records of the time spent by all of Applicant's professionals in connection with its representation of the Debtors. The rates described in the invoices contained in Exhibit 2 are Applicant's customary hourly rates for services of this type.

SERVICES RENDERED BY APPLICANT

17. During the Interim Period, Applicant performed work defending the Debtors in litigation in various jurisdictions including Virginia, West Virginia and Georgia. In general, Applicant defended Debtor against claims brought by individual borrowers pertaining to consumer lending issues, including, but not limited to, allegations of wrongful foreclosure, irregularities in the foreclosure process, violation of applicable statutes related to foreclosure requirements, breach of alleged oral modification, breach of promises to forbear from foreclosing, quiet title, partition actions, unfair business practices claims, state statutory consumer protection violations, loan origination claims, loan servicing claims, and other claims related to mortgage lending and servicing.

18. A summary of the work performed is set forth below:

(a) Researching Law – Task Code C200

Fees: \$4,757.50; Total Hours: 19.0

(b) Analysis and Advice – Task Code C300

Fees: \$2,365.00; Total Hours: 8.6

(c) Third Party Communication – Task Code C400

Fees: \$82.50; Total Hours: .3

(d) Fact Investigation/Development – Task Code L110

Fees: \$86,211.50; Total Hours: 309.9

(e) Analysis/Strategy – Task Code L120

Fees: \$44,433.50; Total Hours: 155.2

(f) Settlement/Non-Binding ADR – Task Code L160

Fees: \$13,080.50; Total Hours: 44.2

(g) Other Case Assessment, Development & Administration – Task Code L190

Fees: \$42,010.50; Total Hours: 148.1

(h) Pleadings – Task Code L210

Fees: \$47,836.00; Total Hours: 171.1

(i) Court Mandated Conferences – Task Code L230

Fees: \$186.00; Total Hours: .8

(j) Dispositive Motions – Task Code L240

Fees: \$35,689.50; Total Hours: 126.5

(k) Other Written Motions/Submissions – Task Code L250

Fees: \$6,300.00; Total Hours: 23.3

(l) Written Discovery – Task Code L310

Fees: \$4,787.50; Total Hours: 20.6

(m) Document Production – Task Code L320

Fees: \$828.00; Total Hours: 4.6

(n) Depositions – Task Code L330

Fees: \$2,852.00; Total Hours: 14.1

(o) Expert Discovery – Task Code L340

Fees: \$684.00; Total Hours: 3.8

(p) Discovery Motions – Task Code L350

Fees: \$201.00; Total Hours: 1.0

(q) Other Discovery – Task Code L390

Fees: \$399.50; Total Hours: 1.7

(r) Fact Witnesses – Task Code L410

Fees: \$6,184.50; Total Hours: 21.7

(s) Written Motions/Submission – Task Code L430

Fees: \$342.00; Total Hours: 1.2

(t) Other Trial Preparation/Support – Task Code L440

Fees: \$2,707.50; Total Hours: 9.5

(u) Trial and Hearing Attendance – Task Code L450

Fees: \$20,999.00; Total Hours: 64.6

(v) Post-Trial Motions and Submissions – Task Code L460

Fees: \$3,990.00; Total Hours: 14.0

(w) Appellate Motions/Submissions – Task Code L510

Fees: \$2,023.50; Total Hours: 7.1

(x) Appellate Briefs – Task Code L520

Fees: \$1,320.00; Total Hours: 4.8

(y) Project Administration – Task Code P100

Fees: \$330.00; Total Hours: 1.2

(z) Initial Document Preparation/Filing – Task Code P400

Fees: \$302.50; Total Hours: 1.1

(aa) Negotiation/Revisions/Responses – Task Code P500

Fees: \$255.50; Total Hours: .7

(bb) Completion/Closing – Task Code P600

Fees: \$569.00; Total Hours: 2.0

(cc) Primary Document Preparation – Task Code R102

Fees: \$2,475.00; Total Hours: 9.0

19. The foregoing descriptions of services rendered by Applicant in specific areas are not intended to be exhaustive of the scope of Applicant's activities in the various litigation matters in which Applicant has performed services on behalf of one or more of the Debtor entities.

20. The Summary to this Application provides information regarding Applicant's billing attorneys and law clerks and a summary of the hours and services rendered by each attorney and law clerk and the hourly rates of each individual during the applicable periods.

21. The rates charged by Applicant for services rendered by attorneys and law clerks in this case are the same as rates charged by Applicant's attorneys and law clerks on similar matters, without considering the size and degree of responsibility, difficulty, complexity, and results achieved. Accordingly, and based on such rates, the value of Applicant's professional services for the Interim Period totals \$333,753.00, representing a total of 1,188.90 hours expended by Applicant's attorneys. For the January Period, the value of Applicant's professional services totals \$95,531.50, representing a total of 341.6 hours. For the February Period, the value of Applicant's professional services totals \$151,572.00, representing a total of 526.4 hours. For the April Period, the value of Applicant's professional services totals \$76,832.50, representing a total of 280.7 hours.

22. In accordance with the factors enumerated in Section 330 of the Bankruptcy Code, the amount of fees requested is fair and reasonable given: (i) the complexity of these cases; (ii) the time expended; (iii) the nature and extent of the services rendered; (iv) the value of such services; and (v) the costs of comparable services other than in a case under the Bankruptcy

Code. *See, e.g., In re Borders Group, Inc.*, 456 B.R. 195, 211 (Bankr. S.D.N.Y. 2011); *In re Mesa Air Group, Inc.*, 449 B.R. 441, 444 (Bankr. S.D.N.Y. 2011); *In re Moss*, 320 B.R. 143, 156-57 (Bankr. E.D. Mich. 2005); *In re Ray*, 314 B.R. 643, 662-63 (Bankr. M.D. Tenn. 2004).

AMOUNTS REQUESTED

23. Applicant seeks 100% of its compensation for the January Period in the amount of \$20,531.50, for the February Period in the amount of \$76,572.00, and for the April Period in the amount of \$1,832.50, such amounts representing the excess amounts over the OCP Monthly Limit, in connection with the professional services detailed in Exhibit 2.

24. By this Application, Applicant also seeks expense reimbursement of \$144.98 for the January Period, \$2,329.46 for the February Period, and \$1,641.19 for the April Period. Detailed descriptions of disbursements made by Applicant, in support of Applicant's request for expense reimbursement for the January, February, and April Periods, are contained in the Summary of this Application and in the invoices attached hereto as Exhibit 2.

25. It is Applicant's policy to charge its clients in all areas of practice the amounts incurred by Applicant for identifiable, non-overhead expenses incurred in connection with the client's case that would not have been incurred except for representation of that particular client.

CONCLUSION

26. Applicant believes that the services rendered on behalf of Debtor were reasonable and necessary within the meaning of Bankruptcy Code Section 330. Further, the expenses requested were actual and necessary to the performance of Applicant's services.

27. By this Application, Applicant requests allowance and payment of fees and expenses for the January Period in the total amount of \$20,676.48, representing the difference

between the OCP Monthly Limit, which does not require Court approval in order to be paid, and total fees of \$95,531.50, plus \$144.98 for actual and necessary costs and expenses.

28. Applicant requests allowance and payment of fees and expenses for the February Period in the total amount of \$78,901.46, representing the difference between the OCP Monthly Limit, which does not require Court approval in order to be paid, and total fees of \$151,572.00, plus \$2,329.46 for actual and necessary costs and expenses.

29. Applicant requests allowance and payment of fees and expenses for the April Period in the total amount of \$3,473.69, representing the difference between the OCP Monthly Limit, which does not require Court approval in order to be paid, and total fees of \$76,832.50, plus \$1,641.19 for actual and necessary costs and expenses.

30. Further, Applicant requests approval of its fees and expenses for the Third Interim Period in the total amount of \$337,868.63, representing total fees of \$333,753.00, plus \$4,115.63 for actual and necessary costs and expenses.

31. Applicant requests the Court to direct payment of all compensation held back in connection with monthly fee applications, and to award Applicant such other and further relief as may be just and proper.

WHEREFORE, Applicant respectfully requests the entry of an order (a) allowing an administrative expense claim for Applicant's compensation and reimbursement for its fees and expenses incurred during the January, February, April, and Third Interim Periods, (b) authorizing and directing payment of such amounts and (c) granting such other and further relief as is just and proper.

Dated: August 7, 2013

TROUTMAN SANDERS LLP

By: /s/ Jason E. Manning

Jason E. Manning (NY Bar #4207288)

TROUTMAN SANDERS LLP

222 Central Park Avenue

Suite 2000

Virginia Beach, VA 23462

Telephone: (757) 687-7500

Facsimile: (757) 687-7510

Email: jason.manning@troutmansanders.com

**Ordinary Course Professional For The Debtors
and Debtors in Possession**